

THE OFFICE OF REGULATORY STAFF
DIRECT REHEARING TESTIMONY &
EXHIBITS
OF

DAWN M. HIPPIE

AUGUST 16, 2018



DOCKET NO. 2017-292-WS

**Application of Carolina Water Service, Incorporated for
Approval of an Increase in Its Rates for Water and Sewer
Services**

DIRECT REHEARING TESTIMONY AND EXHIBITS OF
DAWN M. HIPPI
ON BEHALF OF
THE SOUTH CAROLINA OFFICE OF REGULATORY STAFF
DOCKET NO. 2017-292-WS
IN RE: APPLICATION OF CAROLINA WATER SERVICE,
INCORPORATED FOR APPROVAL OF AN INCREASE IN ITS RATES FOR
WATER AND SEWER SERVICES

Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND OCCUPATION.

A. My name is Dawn M. Hipp. My business address is 1401 Main Street, Suite 900, Columbia, South Carolina 29201. I am employed by the State of South Carolina as the Director of the Utility Rates and Services Department of the Office of Regulatory Staff (“ORS”).

Q. PLEASE STATE YOUR EDUCATIONAL BACKGROUND AND EXPERIENCE.

A. I received my bachelor’s Degree in political science from Minnesota State University - Moorhead. Prior to my employment with ORS, I managed the financial, operations and regulatory aspects for an environmental company that provided turn-key hazardous waste consulting services for the United States Department of Defense.

In 2004, I joined ORS as a Program Specialist for the Water and Wastewater Department. I became a Director in 2007 and currently manage the regulatory operations of the ORS Utility Rates and Services Department. In this role, I supervise the daily

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1401 Main Street, Suite 900
Columbia, SC 29201

activities which include regulatory analysis and compliance monitoring for electric, natural gas, water and wastewater investor-owned utilities. In addition, I am responsible for the operations of the ORS Consumer Services Division.

Q. HAVE YOU TESTIFIED BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA (“COMMISSION”)?

A. Yes. I have testified on numerous occasions before the Commission relating to general rate cases, consumer complaints and other proceedings.

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS REHEARING PROCEEDING?

A. The purpose of my rehearing testimony is to re-affirm the positions identified by ORS witnesses Matthew P. Schellinger II and Zachary J. Payne during the hearing held on April 3, 2018, and to present ORS’s analysis and recommendations resulting from new evidence presented by Carolina Water Service, Inc. (“CWS” or “Company”) upon request by the Commission in accordance with Order 2018-494. Specifically, my testimony will focus on the following issues decided by this Commission:

- 1) Recovery of sludge hauling expenses that were abnormally high during the test year for Friarsgate and Watergate wastewater treatment facilities (“WWTF”);
- 2) Recovery of litigation costs related to federal and administrative court cases which total \$998,606 and are amortized over 66.67 years;
- 3) Recovery of \$1,081,375 in capital costs related to replacement of the Friarsgate Equalization Basin Liner (“EQ Project”) which is not in-service to customers; and,

- 4) Implementation of water rates for Service Territory 1 and Service Territory 2 that do not allocate the increase in revenue requirement in a transparent and fair manner.

1. Sludge Hauling Expense

Q. DID ORS IDENTIFY ANY FACTORS WHICH CONTRIBUTED TO THE ABNORMALLY HIGH SLUDGE HAULING EXPENSE DURING THE TEST YEAR ENDING AUGUST 31, 2017 (“TEST YEAR”)?

A. Yes, ORS identified several factors which contributed to the high sludge hauling expense during the test year and which lead to ORS’s recommended adjustment of \$(96,892) to normalize sludge hauling expenses for the Friarsgate and Watergate WWTFs.

Sludge Hauling for the Watergate WWTF

CWS **did not** dispute ORS’s adjustment to normalize sludge hauling expenses for the Watergate WWTF in testimony provided at the initial hearing. ORS recommends the Commission accept ORS’s adjustment to normalize the sludge hauling expenses for the Watergate WWTF based on the average sludge hauling expenses for 2015, 2016 and 2017. The sludge hauling expenses for the test year were \$72,007 as reflected in ORS witnesses Payne and Sullivan’s testimony. CWS witness Michael Cartin provides no additional information on page 5 of his revised rehearing direct testimony to substantiate sludge hauling costs for the Watergate WWTF will reach the test year levels of \$72,007. If one were to annualize the five months of data reflected in CWS witness Cartin’s revised rehearing testimony, the Company’s sludge hauling expense would be approximately \$51,000 which is close to the three-year average proposed in the normalization adjustment by ORS witnesses Payne and Sullivan.

Sludge Hauling for the Friarsgate WWTF

The Company attributed the increase in sludge hauling expense during the test year due to compliance measures required by South Carolina Department of Health and Environmental Control (“SC DHEC”) under Consent Order 16-039-W (See Hearing Exhibit No. 16, Revised Surrebuttal Exhibit MPS-4 pages 6-8). CWS agreed to Consent Order 16-039-W after SC DHEC found CWS violated its permit by discharging untreated wastewater into the Saluda River.

In addition, SC DHEC issued an additional Consent Order 17-060-W (See Hearing Exhibit No. 16, Revised Surrebuttal Exhibit MPS-4 pages 11-24) which found that CWS violated its permit by incurring numerous sanitary sewer overflows (“SSOs”) in the Friarsgate sewer collection system from 2015 through 2017. The Consent Order required CWS to conduct a comprehensive capacity, management, operations and maintenance audit of the sewer collection system and implement a corrective action plan to resolve inflow and infiltration which caused the SSOs. Several of the SSOs occurred at the Friarsgate WWTF. The inflow and infiltration in the sewer collection system contribute to an increase in sludge hauling and disposal expense because grit and dirt entered into the WWTF through the sewer collection system.

Q. PLEASE COMPARE THE SLUDGE HAULING EXPENSE AMOUNT FOR THE FRIARSGATE WWTF PRESENTED BY CWS IN ITS REHEARING TESTIMONY TO THE TEST YEAR EXPENSE AMOUNT?

A. CWS witness Cartin’s revised rehearing direct testimony demonstrates CWS incurred \$100,803 in sludge hauling expenses in February 2018 which coincides with the

Company's completion of the remediation work on the Friarsgate EQ Basin Liner project. The Company asserts the sludge hauling expenses have reduced due to the use of a sludge press which results in less volume to transport and reduced expenses.¹

The Company, through its written and verbal testimony, demonstrates exactly why the regulatory accounting practice of normalization of test year expenses is important. Even though the ratemaking process in South Carolina utilizes a historical test year, the rates for customers should be set to a level that is a reasonable approximation of the normal operating conditions of the Company. ORS witness Daniel Sullivan discusses the practice of normalization in greater detail in his rehearing testimony.

Q. HAS CWS SIGNED AN AGREEMENT TO INTERCONNECT THE FRIARSGATE SEWER COLLECTION SYSTEM TO THE CITY OF COLUMBIA?

A. Yes. CWS and the City of Columbia executed a Satellite Sewer System Agreement on July 30, 2018. See Docket No. 2018-256-S. CWS has informed ORS that it anticipates interconnection with the City during the first Quarter of 2019.

Q. WILL MONTHLY SLUDGE HAULING EXPENSE AT THE FRIARSGATE WWTF OCCUR AFTER THE INTERCONNECTION WITH THE CITY OF COLUMBIA IS COMPLETE?

A. No. CWS, in its testimony, indicates monthly sludge hauling expense will not be incurred by the Company for the Friarsgate WWTF after the interconnection is completed in the first quarter of 2019.

¹ Revised Rehearing Testimony Michael Cartin pp. 4-5

Q. PLEASE EXPLAIN WHY CWS RATEPAYERS SHOULD NOT PAY FOR ABNORMALLY HIGH SLUDGE HAULING EXPENSE FOR THE FRIARSGATE WWTF.

A. Fundamentally, test year expenses are the starting point for development of future rates and are designed to reasonably represent the expected operating conditions of the Company during the time customers will be required to pay the new rates approved by the Commission. CWS's test year sludge hauling expenses are abnormally high and do not represent normal operating conditions going forward as demonstrated by CWS witness Cartin's rehearing direct testimony.

In addition, the interconnection of the Friarsgate sewer collection system to the City of Columbia is imminent and will eliminate the Company's sludge hauling expense at the Friarsgate WWTF. It is not reasonable to require the ratepayer to pay any sludge hauling expense after the interconnection to the City of Columbia is complete. A reasonable balance between the Company and the ratepayer would be for the Commission to adopt the ORS adjustment to normalize the test year sludge hauling expenses for the Watergate and Friarsgate WWTF as presented in ORS witness Sullivan's rehearing direct testimony.

2. Litigation Expense

Q. BRIEFLY EXPLAIN ORS'S ADJUSTMENTS TO CWS LITIGATION EXPENSES.

A. ORS's position related to the CWS litigation costs centers on the simple fact that ratepayers should not bear the burden of legal costs related to CWS's failure to operate its 1-20 sewer system in accordance with its NPDES permit. These legal costs should be the

1 shareholders responsibility. Otherwise, no incentive exists for regulated utilities to operate
2 in compliance with federal, state and local laws.

3 Specifically, ORS recommends CWS shareholders be responsible for all litigation
4 expenses related to the legal action brought by the Congaree Riverkeeper, Inc. ("CRK").
5 CWS was found to have violated its environmental permit and the Federal judge issued
6 substantial fines as a result. In addition, ORS recommends the shareholders be responsible
7 for all litigation expenses related to CWS's legal action against the United States
8 Environmental Protection Agency ("US EPA") and the Town of Lexington. This legal
9 action was dismissed by the Federal Court and provided no economic benefit to CWS
10 customers.

11 There are several legal actions where the final outcomes are unknown, and it is
12 premature to allow the Company to recover these legal expenses from ratepayers before a
13 final Order has been rendered. For this reason, ORS recommends a regulatory asset be
14 established for litigation expenses related to the condemnation of the I-20 sewer system
15 and the two (2) appeals related to the SC DHEC environmental permit for I-20 sewer
16 system.

17 **Q. PLEASE IDENTIFY THE FEDERAL AND STATE COURT CASES THAT**
18 **GENERATED THE LITIGATION EXPENSES WHICH ARE IN DISPUTE.**

19 **A.** Based on CWS' response to ORS Audit Request #30 (See Hearing Exhibit No. 16,
20 Revised Surrebuttal Exhibit MPS-1), the Company was a participant in the following
21 federal, circuit and administrative court cases:
22

#	Docket #	Jurisdiction	Plaintiff	Defendant
1	3:15-cv-00194-MBS	US District Court	Congaree Riverkeeper, Inc.	CWS
2	3:15-cv-04919-MBS	US District Court	CWS	US EPA and Town of Lexington
3	16-023-W	Administrative Law Court	SC DHEC	CWS
4	16-024-W	Administrative Law Court	SC DHEC	Town of Lexington
5	2017-CP-3203693	Lexington County 11 th Circuit	Town of Lexington	CWS

Q. WHAT IS THE STATUS OF EACH OF THESE CASES?

A. Based on information publicly available or provided by the Company, ORS understands the status of each case is as follows:

Congaree Riverkeeper, Inc. v. CWS (3:15-cv-00194-MBS)

Judge Margaret Seymour issued an Order on March 29, 2017², which found that:

- 1) CWS violated its National Pollutant Discharge Elimination System (“NPDES”) permit by failing to interconnect with the regional system;
 - 2) CWS exceeded its NPDES permit effluent limits;
 - 3) CWS shall be ordered to pay a fine of \$1,500,000 for failure to connect to a regional system;
 - 4) CWS shall be ordered to pay a fine of \$23,000 for violations of the effluent limitations;
 - 5) Effective April 1, 2018, CWS is prohibited from discharging into the Saluda River;
- and

² Civil Action No. 3:15-cv-00194-MBS, Order and Opinion (March 29, 2017), pp. 30-31.

6) Effective April 1, 2018, CWS must connect to a regional wastewater treatment plant.

After Judge Seymour's March 29, 2017 Order, the Court issued an Order on March 26, 2018, that awarded the CRK recovery of attorney fees from CWS and vacated the \$1,500,000 fine levied on CWS for failure to connect the I-20 sewer system to a regional system. CWS did not appeal the fine of \$23,000 for violations of the effluent limits. On April 4, 2018, the Court ordered a stay. The Court issued an Order on May 29, 2018, appointing a mediator and allowing 35 days for mediation related to the Plaintiff's request for attorney's fees and the amount of fine related to the failure to interconnection with a regional system. ORS understands settlement negotiations were initiated but no settlement has been reached on the CRK attorney's fees or the amount of the fine as of the date of this testimony.

CWS v. US EPA and Town of Lexington (3:15-cv-04919-MBS)

Judge Margaret Seymour issued an Order on September 16, 2016, granting the US EPA's and the Town of Lexington's motions to dismiss the action brought by CWS. The Order also dismissed CWS's cause of action for lack of subject matter jurisdiction. No appeal was filed by CWS.

CWS v. SC DHEC (16AO340)

CWS filed for a contested case hearing before the Administrative Law Court on September 22, 2016. According to CWS, the case is held in abeyance pending the condemnation of the I-20 sewer system by the Town of Lexington.

SC DHEC v. CWS (16AO341)

1 According to CWS, this case is held in abeyance and awaiting the outcome of Case
2 16AO340. To date, no hearing has been held and no final order has been issued.

3 **Town of Lexington v. CWS (2017-CP-3203693)**

4 The Town of Lexington filed a Notice of Condemnation for the I-20 Sewer system on
5 October 9, 2017. CWS transferred the customers and assets to the Town of Lexington
6 effective February 1, 2018. Mediation on the issue of compensation to CWS for the sewer
7 system has been scheduled between the Town of Lexington and CWS for September 6,
8 2018. To date, no final order has been issued by the Circuit Court.

9 **Q. DID CWS PROVIDE ORS THE LITIGATION EXPENSES IN A**
10 **DISAGGREGGATED FORMAT SUCH THAT THE EXPENSES CAN BE**
11 **DIRECTLY ATTRIBUTED TO A SPECIFIC CASE?**

12 **A.** Yes. On July 25, 2018, ORS received the disaggregated information related to the
13 litigation expenses. In March 2018, ORS originally requested CWS provide a detailed
14 breakdown of litigation expenses to demonstrate the specific expenses attributed to each
15 case. However, the Company was unable to directly assign the litigation expenses to a
16 specific case with accuracy (See Hearing Exhibit 16, Revised Surrebuttal Exhibit MPS-1).
17 Therefore, the litigation expenses could not be verified by ORS during the rate case.

18 **Q. DOES THE DISSAGGREGATED INFORMATION RELATED TO LITIGATION**
19 **EXPENSES TOTAL \$996,808 AS ORIGINALLY PRESENTED BY CWS DURING**
20 **THE RATE CASE?**

21 **A.** No. The actual litigation invoices and detailed breakdown do not total to the
22 original amount presented by CWS for inclusion during the rate case. The total provided

by CWS to ORS on July 25, 2018, was \$992,606. After receipt of the breakdown of litigation expenses, ORS requested documentation of a specific charge, and CWS advised that the charge should not have been included in litigation expenses. CWS then recalculated and filed revised rehearing testimony reflecting litigation expenses of \$991,508.

Q. PLEASE EXPLAIN ORS'S POSITION ON THE LITIGATION EXPENSES RELATED TO THE CONGAREE RIVERKEEPER, INC. VERSUS CWS CASE.

A. ORS determined \$315,866 of the litigation expenses, after ORS adjustments, are related to the CRK versus CWS case in which the U.S. District Court found CWS to have violated its NPDES permit by failing to interconnect to a regional system and found that CWS violated the effluent limits of its NPDES permit on 23 occasions. Judge Margaret Seymour's Orders have not been vacated, reversed or appealed related to the permit violations or the \$23,000 fine levied for the effluent limit violations.

The legal fees incurred by CWS in this case are not expenses incurred to provide adequate sewer service to customers. To the contrary, CWS failed to properly manage its I-20 sewer system to comply with the NPDES permit requirements. If the Company had properly managed the system in accordance with the NPDES permit, the CRK case could have been avoided, and the legal fees resulting from CWS's defense would not be necessary. In the testimony of CWS witness Keith Babcock, the Company appears to blame the Town of Lexington for the Company's permit violations in the I-20 sewer system.³ This is simply not true. CWS witness Babcock also implies the environmental violations must not be very serious if the US EPA or SC DHEC did not bring separate legal

³ Revised Rehearing Testimony Keith M. Babcock, p. 4 lines 6-7

1 actions against CWS.⁴ This statement demonstrates the cavalier attitude of the Company
2 on the issue of environmental compliance – if a regulatory agency does not sue you in
3 Federal Court, it must not be serious.

4 Fundamentally, ORS believes it is improper for CWS customers to pay for legal
5 fees that could have been avoided had CWS responsibly operated its I-20 sewer system in
6 accordance with its NPDES permit. CWS is required to and has a responsibility to operate
7 its systems in compliance with SC DHEC's regulations. ORS re-affirms its
8 recommendation that \$315,866 in litigation expenses related to the environmental permit
9 violations be recovered from the shareholder and not the ratepayer.

10 **Q. IS THE OUTCOME OF THE CONGAREE RIVERKEEPER, INC. VERSUS CWS**
11 **CASE KNOWN?**

12 **A.** CWS states in its June 25, 2018, Return to ORS's Petition for Reconsideration, that
13 "the outcome from this litigation is far from clear."⁵ CWS witness Babcock states the
14 "totality of this case cannot be evaluated until it is concluded."⁶ These statements support
15 ORS's position that it is premature for the ratepayers to be responsible for any litigation
16 costs for this legal action. While the parties have agreed to mediation on specific issues
17 related to the recovery of Plaintiff attorney's fees and the amount of the penalty assessed
18 for failure to interconnect the I-20 sewer system to a regional wastewater provider, the
19 mediation does not reverse or vacate the findings by Judge Seymour that CWS violated its
20 NPDES permit and effluent limits.

⁴ Revised Rehearing Testimony Keith Babcock p. 5 lines 4-8.

⁵ p. 8 of 23

⁶ Revised Rehearing Testimony Keith Babcock p. 5 lines 9-10

Q. WHAT IS ORS'S POSITION RELATED TO LITIGATION EXPENSES INCURRED TO MEDIATE THE RECOVERY OF ATTORNEY'S FEES AND REDUCE THE AMOUNT OF THE \$1,500,000 PENALTY?

A. It is ORS's position that ratepayers should not be required to fund CWS's efforts to mediate or settle the issues of how much CWS should pay in the CRK attorney's fees or the reduction in the \$1,500,000 fine. It is not reasonable policy to allow CWS to pass the penalty or attorney's fees on to its ratepayers. Therefore, ORS recommends the litigation expenses incurred to mediate or settle these issues should not be eligible for future rate recovery.

Q. DO RATEPAYERS BENEFIT FROM THE CONGAREE RIVERKEEPER, INC. LITIGATION?

A. No. The ratepayers receive no economic benefit from Judge Seymour's Order which held that CWS violated its environmental permit and imposed serious and costly penalties. As a regulated utility with a defined service territory, CWS is required to provide adequate and efficient service at just and reasonable rates. The ratepayer pays for utility service which includes the reasonable expectation the Company's business practices and operations comply with federal, state and local laws. Because the Company's operations did not deliver service in compliance with federal and state environmental laws, the ratepayers should not be assessed the penalties, or the litigation costs related to the CRK case.

Q. DID CWS PROVIDE AN ANALYSIS OF THE COSTS AND BENEFITS TO THE RATEPAYERS RELATED TO THE LITIGATION?

1 **A.** No. CWS simply states the litigation to defend itself in the CRK case is a “cost of
2 doing business.” It is unreasonable public policy to require customers of a regulated utility
3 to fund all costs under the umbrella explanation of the “cost of doing business.” Legal
4 expenses related to disputes such as worker’s compensation claims, or right-of-way
5 procurement may be a “cost of doing business” and included in customer’s rates; however,
6 the CRK case was not a reasonable and necessary expense for CWS to provide sewer
7 service to its customers.

8 **Q. WHAT IS ORS’S POSITION ON THE CWS VERSUS US EPA AND TOWN OF**
9 **LEXINGTON (3:15-CV-04919-MBS)?**

10 **A.** This case, initiated by CWS, was dismissed by the U.S. District Court. CWS did
11 not appeal the U.S. District Court Order. ORS determined CWS incurred \$130,643 in legal
12 fees related to this case, after ORS’s adjustments. CWS witness Babcock states the case
13 would have been “difficult to win.” In addition, CWS witness Babcock opines the
14 dismissed case was a strategic effort to force interconnection of the I-20 sewer system to
15 the Town of Lexington. The case did not result in the interconnection of the sewer system
16 to the Town of Lexington at all. After the case was dismissed by Judge Seymour, at least
17 12 months elapsed before the Town of Lexington noticed condemnation of the system.

18 There is no quantifiable benefit to the ratepayers for CWS’s failed attempt to sue
19 the US EPA and the Town of Lexington. In addition, the expenses related to the case are
20 not reasonable or necessary to provide service to CWS customers. ORS recommends the
21 \$130,643 in legal fees for this legal action be recovered from CWS’s shareholders and not
22 the ratepayers.

Q. PLEASE EXPLAIN ORS'S POSITION ON THE TWO APPEALS OF THE SC DHEC ADMINISTRATIVE ORDERS PENDING AT THE ADMINISTRATIVE LAW COURT.

A. The Company indicates its appeal of the SC DHEC Administrative Orders 16-023-W and 16-024-W are held in abeyance pending the outcome of the Circuit Court condemnation action. No final Orders have been issued by the Administrative Law Court ("ALC"). It is premature to allow the Company to recover these legal expenses from ratepayers before a final Order has been rendered by the ALC. The National Association of Regulated Utility Commissioners ("NARUC") Uniform System of Accounts ("USOA") provides an accounting remedy for this type of situation through the establishment of a "regulatory asset." In addition, the GASB 62, General Standard of Accounting for the Effects of Regulation, indicates:

480. Rate actions of a regulator can provide a business-type activity with reasonable assurance of the existence of an asset. A regulated business-type activity should capitalize all or part of an incurred cost that otherwise would be charged to expense if both of the following criteria are met:

a. It is probable that future revenue in an amount at least equal to the capitalized cost will result from inclusion of that cost in allowable costs for rate-making purposes.

b. Based on available evidence, the future revenue will be provided to permit recovery of the previously incurred cost rather than to provide for expected levels of similar future costs. If the revenue will be provided through an automatic rate-adjustment clause, this criterion requires that the regulator's intent clearly be to permit recovery of the previously incurred cost.

It would be reasonable for the Company to request the Commission consider the establishment of a regulatory asset in which to defer the litigation costs associated with these two (2) appeals for future rate making treatment. ORS recommends the regulatory asset be limited to litigation expenses for these legal actions, the regulatory asset not be

1 allowed to accrue carrying costs, and the amortization period for the regulatory asset
2 deferral be established during the next rate case after all the facts are known.

3 **Q. PLEASE EXPLAIN ORS'S POSITION ON THE TOWN OF LEXINGTON**
4 **CONDEMNATION ACTION PENDING IN THE LEXINGTON COUNTY**
5 **ELEVENTH CIRCUIT COURT.**

6 **A.** ORS re-affirms its original position related to the \$72,161 in legal fees, as adjusted
7 by ORS, related to the condemnation proceeding for the I-20 sewer system. It is ORS's
8 position it is premature to allow the Company to recover these legal expenses from
9 ratepayers before a final Order has been rendered. The Company indicated the Town of
10 Lexington is operating the sewer system and billing customers as of February 1, 2018. The
11 Circuit Court has not issued an Order related to the compensation; however, one is expected
12 by the end of 2018. CWS can and should seek recovery of litigation expenses from the
13 Town of Lexington once the case has concluded. South Carolina law allows "A landowner
14 who prevails in the trial of a condemnation action, in addition to his compensation for the
15 property, may recover his reasonable litigation expenses..."⁷ It is far from certain if the
16 ratepayer will be responsible for the full amount of legal expenses.

17 CWS's participation in the condemnation action preserves the Company's right to
18 receive compensation for the plant assets condemned by the Town of Lexington. However,
19 it is unclear if CWS intends to return any gains earned through the condemnation on the
20 plant assets to the ratepayer. Should the Company assign the gains earned through the
21 condemnation to the shareholders and not ratepayers, it is ORS's position the litigation

⁷ S.C. Code Ann. § 28-2-510 (2007) (B)(1)

1 expenses related to the condemnation case should be recovered from the shareholders. The
2 ratepayer should not fund CWS's legal efforts to secure higher compensation for its
3 shareholders.

4 The Commission should safeguard the interests of the ratepayer to ensure the
5 ratepayer only pays for litigation costs that are reasonably necessary. It would be
6 reasonable for the Company to request the Commission consider the establishment of a
7 regulatory asset in which to defer the litigation costs associated with the condemnation for
8 consideration in future rate making proceedings. If this approach is adopted, ORS
9 recommends the regulatory asset be limited to litigation expenses for the I-20
10 condemnation, any litigation expenses recovered from the Town of Lexington be netted
11 against the regulatory asset balance, the regulatory asset not be allowed to accrue carrying
12 costs, and the amortization period for the regulatory asset deferral be established during
13 the next rate case when all of the facts are known.

14 **Q. DID ORS REVIEW AND VERIFY THE EXPENSES RELATED TO LITIGATION**
15 **MATTERS?**

16 **A.** Yes. ORS reviewed the litigation expense invoices received from CWS on July 25,
17 2018. As previously state, ORS does not recommend the Company be allowed to recover
18 from ratepayers any litigation expenses related to the CRK versus CWS case or the CWS
19 versus US EPA and Town of Lexington case. Further, ORS's review of the litigation
20 expenses indicates several adjustments are needed to reduce the amount of litigation
21 expenses for consideration in this rehearing. A summary of ORS's recommended

adjustments is reflected in Rehearing Exhibit DMH-1. To summarize, the adjustments are recommended for the following reasons:

- Remove \$20,377 for invoices 2484939, 2487836, 2492556 from Winston & Strawn LLP for legal services to resolve employee benefit and employment matters. The Company assigned the Winston & Strawn LLP invoices to the CRK versus CWS case; however, based on the invoice description ORS was not able to verify the work performed was related to the CRK versus CWS case. See Rehearing Exhibit DMH-2 for a summary of the adjustment and the related litigation invoices.
- Remove \$86,682 for advances and expenses listed on Willoughby & Hoefer, P.A., Reinhart Boerner Van Duren PC, Haynesworth Sinkler Boyd P.A., and Baker Donelson Bearman Caldwell & Berkowitz PC invoices. Approximately, \$72,000 was listed on invoices as advances paid by a law firm for the services of Berkeley Economic Consulting, Hartman Consultants LLC and Winthrop Real Estate Advisors. CWS did not provide any vendor invoices to support the amount paid to the consultants, nor did CWS assign any of the expenses or advances to a specific legal action. See Rehearing Exhibit DMH-3 for a detailed breakdown of the adjustment and corresponding litigation invoices.
- Remove \$155,974 for legal services performed by Willoughby & Hoefer, P.A. where the description of professional services was redacted. Where the description of work included a redaction, an adjustment was made to

1 remove legal expenses related to the work in the description. The redacted
2 descriptions limited ORS' review of the work performed. Even where there
3 were multiple tasks in the description, ORS could not determine the time
4 spent on each task in the description to apportion expense. See Rehearing
5 Exhibit DMH-4 for a detailed breakdown of the redactions and the
6 corresponding litigation invoices.

- 7 • Re-allocate \$19,759 to the CRK versus CWS case for legal hours
8 incorrectly attributed to the legal action ALC – DHEC Permit Denial.
9 Based on the Willoughby & Hoefer, P.A. invoice #44, the work description
10 contains details that identify the legal action as involving the Congaree
11 Riverkeeper. See Rehearing Exhibit DMH-5 for a summary of the
12 adjustment and corresponding litigation invoice.

- 13 • Re-allocate \$2,985 to the Town of Lexington versus CWS condemnation
14 action for legal hours incorrectly attributed to the legal action ALC – I-20
15 Connection. Based on the Haynesworth Sinkler Boyd P.A. invoice
16 #1773161, the work description details legal actions related to real estate
17 matters. See Rehearing Exhibit DMH-5 for a summary of the adjustment
18 and corresponding litigation invoice.

19 **Q. IS THE AMORTIZATION PERIOD FOR LITIGATION EXPENSES OF 66.67**
20 **YEARS REASONABLE?**

21 **A.** No. As part of a comprehensive settlement in Docket No. 2015-199-WS the Parties
22 agreed to allow CWS to establish a regulatory asset for litigation expenses related to the

1 condemnation. The settlement agreement approved by the Commission in Order 2015-876
2 (December 22, 2015) did not specify the recovery period for those expenses. In the instant
3 rate proceeding, the Company did not request approval of an accounting order to allow
4 CWS to defer litigation expenses. The Commission's Order 2018-345(A) approved the
5 recovery of \$996,808 in legal expenses to be recovered from customers over 66.67 years.
6 The legal fees presented by CWS in this case started in 2015 and continue to 2018.

7 There is no clear justification to spread the recovery of legal expenses incurred in
8 a three (3) year period over 66.67 years like a large plant asset such as water or sewer
9 mains. This is simply a strategy to hide the \$996,808 such that the ratepayer will not notice
10 the impact. ORS recommends the period for recovery of reasonably incurred litigation
11 expenses be examined by the Commission and set in the next general rate proceeding after
12 all the facts are known related to the cases.

13 **3. Friarsgate EQ Basin Liner Project**

14 **Q. PLEASE SUMMARIZE THE INFORMATION CWS PROVIDED TO ORS**
15 **RELATED THE FRIARSGATE EQ BASIN LINER PROJECT IN RESPONSE TO**
16 **ORS INFORMATION REQUESTS PRIOR TO THE APRIL 3, 2018, RATE CASE**
17 **HEARING.**

18 **A.** CWS requested \$1,081,375 be included in plant-in-service for Project #2017093
19 which is the Friarsgate EQ Basin Liner Project ("EQ Project"). The Company records
20 indicate the EQ Project was started on May 16, 2017, and the purpose of the project was
21 environmental health and safety compliance. The Company estimated the EQ Project

1 budget was \$790,000. In addition, Company records reviewed by ORS provided the
2 following description of the capital project:

3 *“The scope of this project is to **replace the equalization basin liner** directed*
4 *by DHEC consent order 16-039-W. We will be installing a B-40 temporary*
5 *1,700,000 gallon Lake tank to divert the flow from the existing EQ Basin*
6 *while we remove the sludge, water and old liner. The existing basin liner*
7 *has numerous tears and wales. The EQ basin currently is permitted to hold*
8 *900,000 gallons and services 3,300 customers. The sludge within the*
9 *existing EQ will be removed by a floating barge and delivered to a portable*
10 *belt press and hauled to a landfill.”*

11 Utilities, Inc. Add-Change Form dated May 16, 2017 (emphasis added)

12
13 ORS Audit Department reviewed and verified a sample of invoices related to the EQ
14 Project; however, because the installation of the EQ liner was not completed by April 3,
15 2018, and the EQ Project was not providing service to customers, ORS adjusted CWS’s
16 pro-forma plant-in-service by \$1,081,375 to exclude the EQ Project in this rate case.

17 **Q. WHAT IS THE TYPICAL RATEMAKING TREATMENT FOR PLANT**
18 **ADDITIONS THAT ARE NOT COMPLETE AS OF THE DATE OF THE**
19 **HEARING?**

20 **A.** ORS followed well-known, traditional regulatory principles when it recommended
21 excluding the EQ Project from the calculation of CWS’s rate base in this proceeding.
22 Regarding facilities under construction, *The Process of Ratemaking* provides:

23 *“The general rule is that plant under construction and not yet in service in*
24 *the test period will be excluded from rate base.”*
25 *The Process of Ratemaking, Leonard Saul Goodman, p. 805 (1998 Public Utility*
26 *Reports, Inc.).*
27

28 The “Rate Case and Audit Manual” prepared by NARUC Staff Subcommittee on
29 Accounting and Finance (2003) provides the following guidance:

1 “In reviewing specific rate base items, the auditor will want to continually
2 be considering the concept of used and useful. This principle is widely
3 adopted by regulatory commissions and requires that plant be functioning
4 and necessary to be included in the revenue requirement.”

5 p. 16
6

7 By adhering to these principles of “in service” and “used and useful,” ORS’s
8 recommendation to exclude the EQ Project from rate base in this rate case serves to protect
9 customer in the event the Company never completes the project and ensures the ratepayers
10 do not pay a return to the Company until the project is completed and in service. CWS
11 elected to accrue interest during construction (“IDC”) on construction work in progress
12 and to not include those costs into rate base. Due to the accrual of IDC, when the Company
13 places the EQ Project into service the Company will also recover the additional costs
14 associated with the time component of costs during construction. The EQ Project is
15 currently suspended pending the interconnection with the City of Columbia.

16 **Q. HAS CWS PROVIDED ORS WITH PERIODIC UPDATES TO THE EQ**
17 **PROJECT?**

18 **A.** Yes. CWS provided updates to ORS on a regular basis related to the EQ Project.

19 **Q. WHAT ASPECTS OF THE EQ PROJECT HAVE CHANGED SINCE THE APRIL**
20 **3, 2018, HEARING?**

21 **A.** Prior to the filing of ORS direct testimony, ORS discussed the ORS adjustment to
22 plant-in-service with the Company for the EQ Project. The Company did not indicate it
23 had separated the EQ Project into Phase 1 and Phase 2. However, based on CWS responses
24 to an ORS information request for the rehearing, it now appears Project #2017093 for the
25 EQ Project has been separated into two (2) distinct projects: Phase 1 Project #2017093

1 and Phase 2 Project #2018029. The Company identified Phase 2 of the EQ Project has
2 been incorporated into the Friarsgate WWTF interconnection project. Phase 2 Project
3 #2018029 includes activities related to the EQ Basin Liner repair and replacement. CWS
4 asserts the updated Project #2017093 incorporates Phase 1 of the EQ Project which appears
5 to be focused on remediation.

6 In addition, CWS and the City of Columbia executed a Satellite Sewer System
7 Agreement on July 30, 2018. CWS advises that it anticipates interconnection of the
8 Friarsgate sewer collection system with the City during the first Quarter of 2019. CWS
9 will complete the site work and installation of the new EQ basin liner in coordination with
10 the interconnection to the City of Columbia.

11 **Q. IS THE EQ BASIN LINER PROJECT NECESSARY AFTER THE**
12 **INTERCONNECTION OF THE SEWER SYSTEM WITH THE CITY OF**
13 **COLUMBIA?**

14 **A.** SC DHEC does not require the Friarsgate collection system to maintain a
15 functioning EQ basin. However, CWS agreed to provide peak flow equalization to the
16 City of Columbia in the Satellite Sewer System Agreement. Based on the information
17 provided by CWS witness Kevin Laird, the Midlands Council of Governments is required
18 to approve a modification to the 208 Plan before the EQ basin can be used by CWS after
19 the Friarsgate WWTF is decommissioned. CWS indicates it will use the repaired EQ basin
20 to perform flow equalization upon interconnection with the City of Columbia. The costs
21 related to the EQ Basin liner repair are not included in this rate case. However, ORS will
22 analyze the costs and benefits in the next general rate case.

Q. BASED ON THE UPDATED INFORMATION PROVIDED BY CWS, WHAT IS ORS'S UPDATED RECOMMENDATION FOR THE EQ PROJECT?

A. SC DHEC Consent Order 16-039-W found CWS violated its NPDES permit by discharging untreated wastewater into the Saluda River. Because of the violation, SC DHEC required CWS to clean and reline the EQ basin. CWS originally represented to ORS and the Commission the EQ Project included remediation and installation of a new EQ basin liner.

Based on the changes the Company made to Project #2017093, ORS recommends \$989,590 of the \$1,081,375 be included as plant-in-service for the site remediation work. CWS has now limited Project #2017093 to just site remediation work. The remediation work is complete, known and measurable and in service to the customers. In making its determination, ORS reviewed and verified vendor invoices provided by CWS for Project #2017093.

In addition, ORS recommends the following adjustments to plant-in-service for Project #2017093:

- Remove \$2,130 for the portion of the vendor invoice related to the installation of temporary grass matting. The information provided by CWS indicates the vendor installed the grass matting in the wrong location and ORS's adjustment reflects the additional cost to re-install the grass matting in the proper location.
- Remove \$112.51 for late fees paid to vendors. CWS customers should not pay late fees incurred by the Company.

- Remove \$89,542.84 for non-Project services. The Company included a vendor invoice that designates the work performed is for a project labelled Phase 3 and CWS on-call work.

Rehearing Exhibit DMH-6 provides the vendor invoices to support the ORS adjustments listed above. The adjustments are included on ORS witness Sullivan's Rehearing Audit Exhibit DFS-1 Adjustment G.

4. Rate Design

Q. DID CWS REPRESENT IN THE APPLICATION THAT A RATE INCREASE WAS NECESSARY FOR ALL WATER CUSTOMERS IN SERVICE TERRITORY 1 AND SERVICE TERRITORY 2?

A. Yes. CWS represented in its Application that, based on test-year expenses and an implied return on equity of approximately 10.5%, a rate increase would result for all commercial and residential water customers in Service Territory 1 and Service Territory 2. Based on the revenue requirement allocation contained in the Application, all water customers in both Service Territories received notice that CWS was seeking an increase in both the Base Facilities Charge and the Commodity Charge. The noticed rate increase for water customers is reflected in Rehearing Exhibit DMH-7.

Q. DID CWS REPRESENT, THROUGH DIRECT TESTIMONY, THAT A RATE INCREASE WAS NECESSARY FOR ALL WATER CUSTOMERS IN SERVICE TERRITORY 1 AND SERVICE TERRITORY 2?

A. Yes. CWS witness Robert Hunter identified in direct testimony the Company made an adjustment to the income statement to increase revenues to reflect CWS's requested

1 incremental revenue adjustment.⁸ In addition, CWS witness Hunter sponsored the CWS
2 Application Proposed Tariff (Exhibit A to Application), Schedule E Water and Sewer
3 Proposed Revenues (Exhibit B to the Application), and Schedule G Effect on Proposed
4 Rates. Both Schedules identify CWS's allocation of the requested revenue requirement
5 would increase the BFC and commodity rates for all residential and commercial water
6 customers in Service Territory 1 and Service Territory 2. See Application Exhibit A and
7 Exhibit B.

8 **Q. DID CWS UPDATE THE PROPOSED RATE SCHEDULE PRIOR TO OR**
9 **DURING THE APRIL 3, 2018, HEARING?**

10 **A.** No. CWS did not provide an update to the Company's proposed rate schedule
11 through direct or rebuttal testimony.

12 **Q. DID THE PROPOSED ORDER PROVIDED BY CWS TO THE COMMISSION**
13 **PRESENT AN ALLOCATION OF THE REVENUE REQUIREMENT FOR ALL**
14 **WATER CUSTOMERS IN SERVICE TERRITORY 1 THAT DIFFERED FROM**
15 **THE RATES REQUESTED IN ITS ORIGINAL APPLICATION AND NOTICED**
16 **TO CUSTOMERS?**

17 **A.** Yes. The rate schedule presented in the CWS Proposed Order as Exhibit A
18 reflected a deviation from the revenue allocation proposed in the Application and CWS
19 testimony in the following areas:

- 20 • Reflects a decrease in the BFC and commodity charge from the current
21 approved rates for all water supply customers in Service Territory 1; and

⁸ CWS Direct Testimony Robert Hunter, p.4 lines 21-22, Tr.p. 263, lines 21-22.

- Reflects a decrease in the BFC from the current approved rates for all water distribution customers in Service Territory 1.

Q. DID THE PROPOSED ORDER PROVIDED BY CWS TO THE COMMISSION PRESENT AN ALLOCATION OF THE REVENUE REQUIREMENT FOR ALL WATER CUSTOMERS IN SERVICE TERRITORY 2 THAT DIFFERED FROM THE RATES REQUESTED IN ITS ORIGINAL APPLICATION AND NOTICED TO CUSTOMERS?

A. No. The rate schedule presented in the CWS Proposed Order as Exhibit A for all water customers in Service Territory 2 is consistent with the allocation of the increased revenue requirement proposed by CWS in its Application, noticed to customers and included in CWS's direct testimony.

Q. WHAT EXPLANATION DOES CWS PROVIDED FOR THE CHANGE IN ALLOCATION OF THE REVENUE REQUIREMENT TO WATER CUSTOMERS IN SERVICE TERRITORY 1?

A. CWS witness Hunter does not provide an explanation of how the revenue requirement allocation utilized by CWS in its proposed order and by the Commission in Order 2018-345(A) resulted in a reduction in the BFC for all water supply and distribution customers and a reduction in the commodity rates for all water supply customers in Service Territory 1. CWS witness Hunter's rehearing direct testimony page 2, lines 12 and 13, identifies the rate calculation models used in his spreadsheets "calculate the percentage increase to be applied to the rates in Water Territory 1 to produce revenues sufficient to earn a 10.5% return on equity." Likewise, CWS does not provide any explanation in its

rehearing direct testimony to support why the Company proposed and the Commission accepted a reduction in the commodity charge for water supply customers in Service Territory 1.

Q. WHAT IS ORS'S POSITION ON THE RATE DESIGN FRAMEWORK FOR WATER CUSTOMERS?

A. The Commission approved a rate design framework for CWS in Order 2015-876. This rate design framework allows CWS to gradually migrate the various rate schedules previously established for water customers toward a more uniform, state-wide rate. ORS does not object to the segmentation of water customers by geographic location or origin of water source (wells or purchased from a third-party). ORS understands CWS desires to consolidate its water rates into one uniform water rate schedule in the future.

Q. WHY DID ORS REQUEST THE COMMISSION REVIEW THE RATES CONTAINED IN ORDER 2018-345(A)?

A. The Commission has discretion to establish rates to distribute the resulting revenue requirement in an equitable manner among the Company's customers. ORS is concerned the Commission's allocation of the revenue requirement for water, which resulted in an unexpected decrease to a portion of water customers in Service Territory 1, was not transparent or fair to the remaining water customers in Service Territory 1 and Service Territory 2. Water customers in Service Territory 1 and Service Territory 2 did not have an opportunity to examine the allocation of the revenue requirement contained in the CWS proposed order to determine if they had been disadvantaged by the revenue allocation used by CWS and later adopted by the Commission.

Q. HOW DID ORS ALLOCATE THE REVENUE REQUIREMENT FOR WATER CUSTOMERS IN SERVICE TERRITORY 1 AND SERVICE TERRITORY 2?

A. During the review and examination for the rate case, ORS calculated the percentage of the total revenue requirement attributed to sewer, purchased water and water supply customers within Service Territory 1 and Service Territory 2 to verify the accuracy and fairness of the Company's proposed rates. ORS determined, based on rates proposed in the Application, the revenue allocations used by the Company were reasonable.

In the ORS proposed order, ORS replicated the revenue allocation based on the rates proposed in the CWS Application. ORS applied, as close as practicable, the allocation percentage to the proposed revenue requirement to determine the amount of revenue requirement for each customer class. Rates were designed by ORS to maintain, as close as practicable, the revenue allocation as proposed by the Company and verified by ORS.

Rehearing Exhibit DMH-8 compares the CWS Application, ORS proposed order, and Commission Order 2018-345(A) in the areas of percentage and amount of the revenue requirement attributed to each customer class within Service Territory 1 and Service Territory 2. The revenue allocations in the Commission Order for Service Territory 1 water supply and purchased water customers deviate from the revenue allocation contained in the Application.

Q. WHAT IS ORS'S RECOMMENDATION TO CORRECT THE REVENUE REQUIREMENT ALLOCATION?

A. ORS is not recommending rates be increased for water supply and purchased water customers in Service Territory 1 to correct the revenue requirement allocation. However,

1 should the Commission re-evaluate the approved revenue requirement in the context of this
2 hearing, the revenue requirement allocation used to adjust rates should be reviewed to
3 ensure no customer class is disadvantaged.

4 **Q. DOES THIS CONCLUDE YOUR REHEARING DIRECT TESTIMONY?**

5 **A. Yes.**

Office of Regulatory Staff
Summary of Adjustments to Legal Expenses
Carolina Water Service, Inc.
Docket No. 2017-292-WS

Line #	Summary of ORS Adjustments	CRK v. CWS	Town of Lexington v. CWS (condemnation)	ALC - DHEC Permit Denial	ALC - I-20 Connection	CWS v. EPA	Expenses	Advances	TOTAL
1	Starting Balance	\$ 395,196.25	\$ 78,482.00	\$ 233,223.00	\$ 51,039.00	\$ 146,420.25	\$ 12,319.91	\$ 74,828.23	\$ 991,508.64
2	ORS Adjustment - Exhibit DMH-4	\$ (79,177.50)	\$ (9,306.00)	\$ (40,180.50)	\$ (11,533.50)	\$ (15,777.00)	\$ -	\$ -	\$ (155,974.50)
3	ORS Adjustment - Exhibit DMH-2	\$ (19,912.00)	\$ -	\$ -	\$ -	\$ -	\$ (465.37)	\$ -	\$ (20,377.37)
4	ORS Adjustment - Exhibit DMH-3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (11,854.54)	\$ (74,828.23)	\$ (86,682.77)
5	ORS Adjustment - Exhibit DMH-5	\$ 19,759.50	\$ 2,985.00	\$ (19,759.50)	\$ (2,985.00)	\$ -	\$ -	\$ -	\$ -
6	Ending Balance	\$ 315,866.25	\$ 72,161.00	\$ 173,283.00	\$ 36,520.50	\$ 130,643.25	\$ (0.00)	\$ -	\$ 728,474.00
7	ORS Adjustment - Remove all legal expenses for CRK v. CWS	\$ (315,866.25)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (315,866.25)
8	ORS Adjustment - Remove all legal expenses for CWS v. EPA	\$ -	\$ -	\$ -	\$ -	\$ (130,643.25)	\$ -	\$ -	\$ (130,643.25)
9	ORS Recommendation for Deferral	\$ -	\$ 72,161.00	\$ 173,283.00	\$ 36,520.50	\$ -	\$ (0.00)	\$ -	\$ 281,964.50

Office of Regulatory Staff
Adjustment to Legal Expenses - Work Description
Carolina Water Service, Inc.
Docket No. 2017-292-WS

Line #	Document	Invoice	Firm	Date	Timekeeper	Rate	CRK v. CWS	Cost	Expenses	ORS Adjustment	ORS Adjustment Reason
1	758743	2484939	Winston	2.29.16	KW	655	2.50	\$ 1,637.50		\$ 1,637.50	Invoice lists work performed as Employee Benefits and Executive Compensation
2	768768	2487836	Winston	3.1.16 to	KW	655	25.90	\$ 16,964.50	\$ 450.82	\$ 17,415.32	Invoice lists work performed as Employee Benefits and Executive Compensation
3	801042	2492556	Winston	4.1.16	KW	655	2.00	\$ 1,310.00	\$ 14.55	\$ 1,324.55	Invoice lists work performed as Employee Benefits and Executive Compensation
4	TOTAL							\$ 19,912.00	\$ 465.37	\$ 20,377.37	

REHEARING EXHIBIT DMH-2

Pages 2 through 18

CONFIDENTIAL

Office of Regulatory Staff
Adjustment to Legal Expenses - Expenses/Advances
Carolina Water Service, Inc.
Docket No. 2017-292-WS

Line #	Document	Invoice	Firm	Date	Expenses	Advances	ORS Adjustment	ORS Adjustment Reason
1	722660	25	Willoughby	5.8.15	\$ 152.15	\$ -	\$ 152.15	Expenses not assigned to a case.
2	735177	27	Willoughby	9.1.15	\$ 29.19	\$ -	\$ 29.19	Expenses not assigned to a case.
3	743718	28	Willoughby	10.1.15	\$ 216.28	\$ -	\$ 216.28	Expenses not assigned to a case.
4	752272	30	Willoughby	12.1.15	\$ 48.85	\$ -	\$ 48.85	Expenses not assigned to a case.
5	768769	31	Willoughby	1.4.16	\$ 194.19	\$ 346.50	\$ 540.69	Expenses and advances not assigned to a case.
6	775129	33	Willoughby	3.1.16	\$ 1,177.80	\$ 97.00	\$ 1,274.80	Expenses and advances not assigned to a case.
7	775130	32	Willoughby	2.1.16	\$ 761.78	\$ 20,717.14	\$ 21,478.92	No invoice and no detail provided for Berkeley Economic Consulting, Inc. charges. Not assigned to a case.
8	784400	34	Willoughby	4.1.16	\$ 127.09	\$ 169.59	\$ 296.68	Expenses and advances not assigned to a case.
9	800903	35	Willoughby	5.1.16	\$ 621.19	\$ -	\$ 621.19	Expenses not assigned to a case.
10	800913	36	Willoughby	6.1.16	\$ 237.45	\$ -	\$ 237.45	Expenses not assigned to a case.
11	806408	428851	Reinhart	3.1.16 to	\$ 5.85	\$ -	\$ 5.85	Expenses not assigned to a case.
12	809941	38	Willoughby	8.1.16	\$ 591.90	\$ 200.00	\$ 791.90	Expenses and advances not assigned to a case.
13	823151	39	Willoughby	9.1.16	\$ 131.34	\$ 500.00	\$ 631.34	Expenses and advances not assigned to a case.
14	832499	41	Willoughby	11.1.16	\$ 223.83	\$ 2,450.00	\$ 2,673.83	No invoice and no detail provided for Hartman Consultants, LLC charges. Not assigned to a case.
15	832519	40	Willoughby	10.1.16	\$ 369.48	\$ 3,200.00	\$ 3,569.48	No invoice and no detail provided for Hartman Consultants, LLC charges. Not assigned to a case.
16	860522	45	Willoughby	3.1.17	\$ 2,986.79	\$ 10,332.00	\$ 13,318.79	No invoice and no detail provided for Hartman Consultants, LLC charges. Not assigned to a case.
17	864858	43	Willoughby	1.4.17	\$ 314.96	\$ 7,200.00	\$ 7,514.96	No invoice and no detail provided for Hartman Consultants, LLC charges. Not assigned to a case.
18	864859	44	Willoughby	2.1.17		\$ 9,225.00	\$ 9,225.00	No invoice and no detail provided for Hartman Consultants, LLC charges. Not assigned to a case.
19	875982	46	Willoughby	4.2.17	\$ 822.75	\$ 307.95	\$ 1,130.70	Expenses and advances not assigned to a case.
20	878539	47	Willoughby	5.1.17	\$ 59.34	\$ -	\$ 59.34	Expenses not assigned to a case.
21	906075	49	Willoughby	8.18.17	\$ 253.42	\$ -	\$ 253.42	Expenses not assigned to a case.
22	919203	1773161	Haynsworth	9.8.17	\$ 161.08	\$ -	\$ 161.08	Expenses not assigned to a case.
23	922613	50	Willoughby	9.7.17	\$ 1,066.20	\$ 48.05	\$ 1,114.25	Expenses and advances not assigned to a case.
24	940472	8440038	Baker	11.29.17	\$ 804.95	\$ -	\$ 804.95	Expenses not assigned to a case.
25	940475	1780862	Haynsworth	11.3.17	\$ 37.20	\$ -	\$ 37.20	Expenses not assigned to a case.
26	942517	51	Willoughby	11.1.17	\$ 459.48	\$ 20,035.00	\$ 20,494.48	No invoice and no detail provided for Winthrop Real Estate Advisors or Hartman Consultants, LLC charges. Not assigned to a case.
27	TOTAL				\$ 11,854.54	\$ 74,828.23	\$ 86,682.77	

REHEARING EXHIBIT DMH-3

Pages 2 through 135

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Office of Regulatory Staff
Adjustment to Legal Expenses - Redactions
Carolina Water Service, Inc.
Docket No. 2017-292-WS

Line #	Document	Invoice	Firm	Date	Timekeeper	Rate	CRK v. CWS	Cost	Town of Lexington v. CWS (condemnation)	ALC - DHEC Permit Denial	Cost	ALC - I-20 Connection	Cost	CWS v. EPA	Cost	Invoice Total	ORS Adjustment	ORS Adjustment Reason
1	722660	25	Willoughby	7.10.15	CNJ	225	4.60	\$ 1,035.00			-		\$	-	\$	1,035.00	\$1,035.00	CWS redacted work description.
2	722660	25	Willoughby	7.9.15	CNJ	225	6.80	\$ 1,530.00			-		\$	-	\$	1,530.00	\$1,530.00	CWS redacted work description.
3	735177	27	Willoughby	9.1.15	BPM	270	3.50	\$ 945.00			-		\$	-	\$	945.00	\$945.00	CWS redacted work description.
4	735177	27	Willoughby	9.1.15	JH	315	1.20	\$ 378.00			-		\$	-	\$	378.00	\$378.00	CWS redacted work description.
5	735177	27	Willoughby	9.10.15	JH	315	0.40	\$ 126.00			-		\$	-	\$	126.00	\$126.00	CWS redacted work description.
6	735177	27	Willoughby	9.14.15	JH	315	2.60	\$ 819.00			-		\$	-	\$	819.00	\$819.00	CWS redacted work description.
7	735177	27	Willoughby	9.15.15	JH	315	3.00	\$ 945.00			-		\$	-	\$	945.00	\$945.00	CWS redacted work description.
8	735177	27	Willoughby	9.16.15	JH	315		\$			-	1.00	\$ 315.00		\$	315.00	\$315.00	CWS redacted work description.
9	735177	27	Willoughby	9.2.15	JH	315	4.30	\$ 1,354.50			-		\$	-	\$	1,354.50	\$1,354.50	CWS redacted work description.
10	735177	27	Willoughby	9.21.15	JH	315	1.40	\$ 441.00			-		\$	-	\$	441.00	\$441.00	CWS redacted work description.
11	735177	27	Willoughby	9.22.15	JH	315	1.90	\$ 598.50			-		\$	-	\$	598.50	\$598.50	CWS redacted work description.
12	735177	27	Willoughby	9.22.15	RRL	270	1.00	\$ 270.00			-		\$	-	\$	270.00	\$270.00	CWS redacted work description.
13	735177	27	Willoughby	9.23.15	JH	315		\$		1.20	\$ 378.00		\$	-	\$	378.00	\$378.00	CWS redacted work description.
14	735177	27	Willoughby	9.24.15	JH	315		\$	1.10	\$ 346.50	-		\$	-	\$	346.50	\$346.50	CWS redacted work description.
15	735177	27	Willoughby	9.28.15	JH	315		\$		2.20	\$ 693.00		\$	-	\$	693.00	\$693.00	CWS redacted work description.
16	735177	27	Willoughby	9.30.15	JH	315		\$			-	1.00	\$ 315.00		\$	315.00	\$315.00	CWS redacted work description.
17	743718	28	Willoughby	10.27.15	JH	315	0.50	\$ 157.50			-		\$	-	\$	157.50	\$157.50	CWS redacted work description.
18	743718	28	Willoughby	10.28.15	JH	315		\$			-	1.00	\$ 315.00		\$	315.00	\$315.00	CWS redacted work description.
19	743718	28	Willoughby	10.29.15	JH	315		\$			-	1.10	\$ 346.50		\$	346.50	\$346.50	CWS redacted work description.
20	743718	28	Willoughby	10.8.15	JH	315	0.50	\$ 157.50			-		\$	-	\$	157.50	\$157.50	CWS redacted work description.
21	747991	29	Willoughby	11.11.15	JH	315		\$			-	2.00	\$ 630.00	0.20	\$	63.00	\$63.00	CWS redacted work description.
22	747991	29	Willoughby	11.17.15	JH	315	3.00	\$ 945.00			-		\$	-	\$	945.00	\$945.00	CWS redacted work description.
23	747991	29	Willoughby	11.19.15	JH	315	2.20	\$ 693.00			-		\$	-	\$	693.00	\$693.00	CWS redacted work description.
24	747991	29	Willoughby	11.24.15	JH	315		\$			-		\$	-	\$	1,228.50	\$1,228.50	CWS redacted work description.
25	747991	29	Willoughby	11.4.15	RRL	270	2.00	\$ 540.00			-		\$	-	\$	540.00	\$540.00	CWS redacted work description.
26	747991	29	Willoughby	11.4.15	JH	315	3.00	\$ 945.00			-		\$	-	\$	945.00	\$945.00	CWS redacted work description.
27	747991	29	Willoughby	11.4.15	CNJ	225	3.20	\$ 720.00			-		\$	-	\$	720.00	\$720.00	CWS redacted work description.
28	747991	29	Willoughby	11.5.15	JH	315	3.90	\$ 1,228.50			-		\$	-	\$	1,228.50	\$1,228.50	CWS redacted work description.
29	747991	29	Willoughby	11.6.15	JH	315	3.00	\$ 945.00			-		\$	-	\$	945.00	\$945.00	CWS redacted work description.
30	752272	30	Willoughby	12.1.15	JH	315		\$			-		\$	-	\$	126.00	\$126.00	CWS redacted work description.
31	752272	30	Willoughby	12.14.15	JH	315		\$		1.00	\$ 315.00		\$	-	\$	630.00	\$630.00	CWS redacted work description.
32	752272	30	Willoughby	12.14.15	RRL	270		\$		0.70	\$ 189.00		\$	-	\$	189.00	\$189.00	CWS redacted work description.
33	752272	30	Willoughby	12.2.15	JH	315		\$			-		\$	-	\$	283.50	\$283.50	CWS redacted work description.
34	768769	31	Willoughby	1.15.16	RRL	270	3.90	\$ 1,053.00			-		\$	-	\$	1,053.00	\$1,053.00	CWS redacted work description.
35	768769	31	Willoughby	1.18.16	CNJ	225	6.40	\$ 1,440.00			-		\$	-	\$	1,440.00	\$1,440.00	CWS redacted work description.
36	768769	31	Willoughby	1.19.16	CNJ	225	4.10	\$ 922.50			-		\$	-	\$	922.50	\$922.50	CWS redacted work description.
37	768769	31	Willoughby	1.22.16	RRL	270		\$			-		\$	-	\$	324.00	\$324.00	CWS redacted work description.
38	768769	31	Willoughby	1.22.16	JH	315		\$			-		\$	-	\$	1,858.50	\$1,858.50	CWS redacted work description.
39	768769	31	Willoughby	1.25.16	CNJ	225	6.00	\$ 1,350.00			-		\$	-	\$	1,687.50	\$1,687.50	CWS redacted work description.
40	768769	31	Willoughby	1.27.16	CNJ	225	6.40	\$ 1,440.00			-		\$	-	\$	1,440.00	\$1,440.00	CWS redacted work description.
41	768769	31	Willoughby	1.4.16	JH	315		\$			-		\$	-	\$	1,260.00	\$1,260.00	CWS redacted work description.
42	768769	31	Willoughby	1.5.16	RRL	270	3.30	\$ 891.00			-		\$	-	\$	891.00	\$891.00	CWS redacted work description.
43	768769	31	Willoughby	1.5.16	JH	315	3.00	\$ 945.00			-		\$	-	\$	1,890.00	\$1,890.00	CWS redacted work description.
44	768769	31	Willoughby	1.6.16	CNJ	225	9.30	\$ 2,092.50			-		\$	-	\$	2,092.50	\$2,092.50	CWS redacted work description.
45	768769	31	Willoughby	1.6.16	JH	315	4.00	\$ 1,260.00			-		\$	-	\$	2,205.00	\$2,205.00	CWS redacted work description.
46	768769	31	Willoughby	1.7.16	CNJ	225	7.80	\$ 1,755.00			-		\$	-	\$	1,755.00	\$1,755.00	CWS redacted work description.
47	775129	33	Willoughby	3.10.16	RRL	270		\$		3.00	\$ 810.00		\$	-	\$	810.00	\$810.00	CWS redacted work description.
48	775129	33	Willoughby	3.10.16	JH	315		\$		3.30	\$ 1,039.50		\$	-	\$	1,039.50	\$1,039.50	CWS redacted work description.
49	775129	33	Willoughby	3.10.16	CNJ	225	1.00	\$ 225.00			-		\$	-	\$	1,215.00	\$1,215.00	CWS redacted work description.
50	775129	33	Willoughby	3.11.16	JH	315		\$		4.00	\$ 1,260.00		\$	-	\$	1,260.00	\$1,260.00	CWS redacted work description.
51	775129	33	Willoughby	3.11.16	RRL	270	1.00	\$ 270.00			-		\$	-	\$	594.00	\$594.00	CWS redacted work description.
52	775129	33	Willoughby	3.15.16	RRL	270		\$		1.50	\$ 405.00		\$	-	\$	405.00	\$405.00	CWS redacted work description.
53	775129	33	Willoughby	3.15.16	CNJ	225	8.10	\$ 1,822.50			-		\$	-	\$	1,822.50	\$1,822.50	CWS redacted work description.
54	775129	33	Willoughby	3.29.16	JH	315	1.00	\$ 315.00			-		\$	-	\$	409.50	\$409.50	CWS redacted work description.
55	775129	33	Willoughby	3.30.16	CNJ	225	10.60	\$ 2,385.00			-		\$	-	\$	2,385.00	\$2,385.00	CWS redacted work description.
56	775129	33	Willoughby	3.5.16	RRL	270	0.10	\$ 27.00			-		\$	-	\$	27.00	\$27.00	CWS redacted work description.

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Line #	Document	Invoice	Firm	Date	Timekeeper	Rate	CRK v. CWS		Town of Lexington v. CWS (condemnation)	ALC - DHEC Permit Denial		ALC - I-20 Connection	Cost		CWS v. EPA	Cost	Invoice Total	ORS Adjustment	ORS Adjustment Reason
57	775129	33	Willoughby	3.6.16	CNJ	225	0.10	\$	22.50	\$	-		\$	-		\$	22.50	\$22.50	CWS redacted work description.
58	775129	33	Willoughby	3.7.16	CNJ	225	5.00	\$	1,125.00	\$	-		\$	-	0.90	\$	1,327.50	\$1,327.50	CWS redacted work description.
59	775129	33	Willoughby	3.8.16	RRL	270		\$		\$	-		\$	-	0.50	\$	135.00	\$135.00	CWS redacted work description.
60	775129	33	Willoughby	3.8.16	JH	315		\$	-	\$	-		\$	-	1.00	\$	315.00	\$315.00	CWS redacted work description.
61	775129	33	Willoughby	3.9.16	CNJ	225		\$	-	\$	-		\$	-	2.50	\$	562.50	\$562.50	CWS redacted work description.
62	775130	32	Willoughby	2.1.16	RRL	270		\$	-	\$	-		\$	-	0.50	\$	135.00	\$135.00	CWS redacted work description.
63	775130	32	Willoughby	2.10.16	CNJ	225	5.30	\$	1,192.50	\$	-		\$	-		\$	1,192.50	\$1,192.50	CWS redacted work description.
64	775130	32	Willoughby	2.18.16	CNJ	225	5.10	\$	1,147.50	\$	-		\$	-		\$	1,147.50	\$1,147.50	CWS redacted work description.
65	775130	32	Willoughby	2.24.16	CNJ	225	5.40	\$	1,215.00	\$	-		\$	-		\$	1,215.00	\$1,215.00	CWS redacted work description.
66	775130	32	Willoughby	2.25.16	RRL	270	5.00	\$	1,350.00	\$	-		\$	-		\$	1,350.00	\$1,350.00	CWS redacted work description.
67	775130	32	Willoughby	2.25.16	JH	315	1.60	\$	504.00	\$	-		\$	-		\$	504.00	\$504.00	CWS redacted work description.
68	775130	32	Willoughby	2.25.16	CNJ	225	5.60	\$	1,260.00	\$	-		\$	-		\$	1,260.00	\$1,260.00	CWS redacted work description.
69	775130	32	Willoughby	2.26.16	CNJ	225	6.40	\$	1,440.00	\$	-		\$	-		\$	1,440.00	\$1,440.00	CWS redacted work description.
70	775130	32	Willoughby	2.29.16	JH	315		\$	-	\$	-		\$	-	1.50	\$	472.50	\$472.50	CWS redacted work description.
71	775130	32	Willoughby	2.3.16	CNJ	225	6.50	\$	1,462.50	\$	-		\$	-		\$	1,462.50	\$1,462.50	CWS redacted work description.
72	775130	32	Willoughby	2.5.16	JH	315	0.80	\$	252.00	\$	-		\$	-		\$	252.00	\$252.00	CWS redacted work description.
73	784400	34	Willoughby	4.14.16	CNJ	225	5.30	\$	1,192.50	\$	-		\$	-	4.00	\$	900.00	\$2,092.50	CWS redacted work description.
74	784400	34	Willoughby	4.18.16	JH	315		\$	-	\$	-		\$	-	1.00	\$	315.00	\$315.00	CWS redacted work description.
75	784400	34	Willoughby	4.27.18	CNJ	225	7.40	\$	1,665.00	\$	-		\$	-		\$	1,665.00	\$1,665.00	CWS redacted work description.
76	784400	34	Willoughby	4.28.16	RRL	270		\$	-	\$	-		\$	-	2.50	\$	675.00	\$675.00	CWS redacted work description.
77	784400	34	Willoughby	4.28.16	JH	315		\$	-	\$	-		\$	-	0.50	\$	157.50	\$157.50	CWS redacted work description.
78	800903	35	Willoughby	5.16.16	JH	315	0.10	\$	31.50	\$	-		\$	-	0.10	\$	63.00	\$63.00	CWS redacted work description.
79	800903	35	Willoughby	5.17.16	CNJ	225	6.90	\$	1,552.50	\$	-		\$	-		\$	1,552.50	\$1,552.50	CWS redacted work description.
80	800903	35	Willoughby	5.18.16	JH	315	5.40	\$	1,701.00	\$	-		\$	-		\$	1,701.00	\$1,701.00	CWS redacted work description.
81	800903	35	Willoughby	5.18.16	CNJ	225	8.40	\$	1,890.00	\$	-		\$	-		\$	1,890.00	\$1,890.00	CWS redacted work description.
82	800903	35	Willoughby	5.19.16	RRL	270	0.80	\$	216.00	\$	-		\$	-		\$	216.00	\$216.00	CWS redacted work description.
83	800903	35	Willoughby	5.23.16	JH	315	1.00	\$	315.00	\$	-		\$	-	1.00	\$	315.00	\$630.00	CWS redacted work description.
84	800903	35	Willoughby	5.23.16	CNJ	225		\$	-	\$	-		\$	-	7.40	\$	1,665.00	\$1,665.00	CWS redacted work description.
85	800913	36	Willoughby	6.1.16	JH	315	3.00	\$	945.00	\$	-		\$	-		\$	945.00	\$945.00	CWS redacted work description.
86	800913	36	Willoughby	6.28.16	JH	315		\$	-	\$	-		\$	-		\$	945.00	\$945.00	CWS redacted work description.
87	809941	38	Willoughby	8.1.16	CNJ	225		\$	-	\$	-	2.60	\$	585.00		\$	1,170.00	\$1,170.00	CWS redacted work description.
88	809941	38	Willoughby	8.1.16	JH	315		\$	-	\$	-	1.80	\$	567.00		\$	1,165.50	\$1,165.50	CWS redacted work description.
89	809941	38	Willoughby	8.10.16	JH	315		\$	-	\$	-	2.00	\$	630.00		\$	1,669.50	\$1,669.50	CWS redacted work description.
90	809941	38	Willoughby	8.11.16	CNJ	225		\$	-	\$	-	1.40	\$	315.00		\$	765.00	\$765.00	CWS redacted work description.
91	809941	38	Willoughby	8.15.16	JH	315		\$	-	\$	-	1.00	\$	315.00		\$	819.00	\$819.00	CWS redacted work description.
92	809941	38	Willoughby	8.19.16	RRL	270		\$	-	\$	-	2.50	\$	675.00		\$	675.00	\$675.00	CWS redacted work description.
93	809941	38	Willoughby	8.25.16	JH	315		\$	-	\$	-	1.00	\$	315.00		\$	1,543.50	\$1,543.50	CWS redacted work description.
94	809941	38	Willoughby	8.30.16	JH	315		\$	-	\$	-	2.00	\$	630.00		\$	1,512.00	\$1,512.00	CWS redacted work description.
95	809941	38	Willoughby	8.4.16	JH	315		\$	-	\$	-	2.00	\$	630.00		\$	2,268.00	\$2,268.00	CWS redacted work description.
96	809941	38	Willoughby	8.5.16	JH	315		\$	-	\$	-	1.00	\$	315.00		\$	1,638.00	\$1,638.00	CWS redacted work description.
97	809941	38	Willoughby	8.9.16	JH	315		\$	-	\$	-	1.00	\$	315.00		\$	2,205.00	\$2,205.00	CWS redacted work description.
98	823151	39	Willoughby	9.13.16	RRL	270		\$	-	\$	-	0.90	\$	243.00		\$	513.00	\$513.00	CWS redacted work description.
99	823151	39	Willoughby	9.14.16	RRL	270	0.40	\$	108.00	\$	-		\$	-		\$	108.00	\$108.00	CWS redacted work description.
100	823151	39	Willoughby	9.15.16	CNJ	225	9.40	\$	2,115.00	\$	-		\$	-		\$	2,115.00	\$2,115.00	CWS redacted work description.
101	823151	39	Willoughby	9.15.16	RRL	270	1.20	\$	324.00	\$	-		\$	-		\$	324.00	\$324.00	CWS redacted work description.
102	823151	39	Willoughby	9.16.16	CNJ	225	5.40	\$	1,215.00	\$	-		\$	-		\$	1,215.00	\$1,215.00	CWS redacted work description.
103	823151	39	Willoughby	9.16.16	JH	315	1.00	\$	315.00	\$	-		\$	-		\$	315.00	\$315.00	CWS redacted work description.
104	823151	39	Willoughby	9.16.16	RRL	270	0.30	\$	81.00	\$	-		\$	-		\$	81.00	\$81.00	CWS redacted work description.
105	823151	39	Willoughby	9.20.16	JH	315	3.60	\$	1,134.00	\$	-		\$	-		\$	1,134.00	\$1,134.00	CWS redacted work description.
106	823151	39	Willoughby	9.20.16	RRL	270	2.10	\$	567.00	\$	-		\$	-		\$	567.00	\$567.00	CWS redacted work description.
107	823151	39	Willoughby	9.21.16	JH	315	2.10	\$	661.50	\$	-		\$	-		\$	199	\$199	CWS redacted work description.
108	823151	39	Willoughby	9.28.16	RRL	270	0.80	\$	216.00	\$	-		\$	-		\$	216.00	\$216.00	CWS redacted work description.
109	823151	39	Willoughby	9.30.16	JH	315		\$	-	\$	-	4.00	\$	1,260.00		\$	1,260.00	\$1,260.00	CWS redacted work description.
110	823151	39	Willoughby	9.6.16	JH	315		\$	-	\$	-	1.70	\$	535.50		\$	1,165.50	\$1,165.50	CWS redacted work description.
111	823151	39	Willoughby	9.7.16	JH	315	1.30	\$	409.50	\$	-		\$	-		\$	1,984.50	\$1,984.50	CWS redacted work description.
112	823151	39	Willoughby	9.7.16	RRL	270	1.30	\$	351.00	\$	-	0.50	\$	135.00		\$	621.00	\$621.00	CWS redacted work description.

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Line #	Document	Invoice	Firm	Date	Timekeeper	Rate	CRK v. CWS	Cost	Town of Lexington v. CWS (condemnation)	Cost	ALC - DHEC Permit Denial	Cost	ALC - I-20 Connection	Cost	CWS v. EPA	Invoice Total	ORS Adjustment	ORS Adjustment Reason
113	832519	40	Willoughby	10.12.16	JH	315	1.00	\$ 315.00	1.00	\$ 315.00	6.00	\$ 1,890.00		\$ -		\$ 2,520.00	\$2,520.00	CWS redacted work description.
114	832519	40	Willoughby	10.13.16	CNJ	225	0.30	\$ 67.50		\$ -		\$ -		\$ -		\$ 67.50	\$67.50	CWS redacted work description.
115	832519	40	Willoughby	10.25.16	JH	315	4.00	\$ 1,260.00		\$ -	0.70	\$ 220.50		\$ -		\$ 1,480.50	\$1,480.50	CWS redacted work description.
116	832519	40	Willoughby	10.3.16	JH	315	4.00	\$ 1,260.00		\$ -	1.00	\$ 315.00		\$ -		\$ 1,575.00	\$1,575.00	CWS redacted work description.
117	832519	40	Willoughby	10.6.16	JH	315		\$ -	0.60	\$ 189.00	5.00	\$ 1,575.00		\$ -		\$ 1,764.00	\$1,764.00	CWS redacted work description.
118	832519	40	Willoughby	10.6.16	CNJ	225	6.60	\$ 1,485.00		\$ -		\$ -		\$ -		\$ 1,485.00	\$1,485.00	CWS redacted work description.
119	860522	45	Willoughby	3.15.17	JH	315		\$ -		\$ -	0.50	\$ 157.50		\$ -		\$ 157.50	\$157.50	CWS redacted work description.
120	860522	45	Willoughby	3.20.17	JH	315		\$ -		\$ -	1.00	\$ 315.00		\$ -		\$ 315.00	\$315.00	CWS redacted work description.
121	860522	45	Willoughby	3.20.17	CNJ	225		\$ -		\$ -	1.10	\$ 247.50		\$ -		\$ 247.50	\$247.50	CWS redacted work description.
122	860522	45	Willoughby	3.21.17	JH	315		\$ -		\$ -	3.00	\$ 945.00		\$ -		\$ 945.00	\$945.00	CWS redacted work description.
123	860522	45	Willoughby	3.29.17	JH	315		\$ -		\$ -	7.30	\$ 2,299.50		\$ -		\$ 2,299.50	\$2,299.50	CWS redacted work description.
124	860522	45	Willoughby	3.6.17	JH	315		\$ -		\$ -	7.30	\$ 2,299.50		\$ -		\$ 2,299.50	\$2,299.50	CWS redacted work description.
125	875982	46	Willoughby	4.13.17	JH	315	3.00	\$ 945.00		\$ -	8.30	\$ 2,614.50		\$ -		\$ 3,559.50	\$3,559.50	CWS redacted work description.
126	875982	46	Willoughby	4.15.17	JH	315	1.00	\$ 315.00		\$ -	4.00	\$ 1,260.00		\$ -		\$ 1,575.00	\$1,575.00	CWS redacted work description.
127	875982	46	Willoughby	4.19.17	CNJ	225	9.10	\$ 2,047.50		\$ -		\$ -	1.00	\$ 225.00		\$ 2,272.50	\$2,272.50	CWS redacted work description.
128	875982	46	Willoughby	4.19.17	JH	315	4.00	\$ 1,260.00		\$ -		\$ -	2.00	\$ 630.00		\$ 1,890.00	\$1,890.00	CWS redacted work description.
129	875982	46	Willoughby	4.20.17	JH	315	11.10	\$ 3,496.50		\$ -		\$ -		\$ -		\$ 3,496.50	\$3,496.50	CWS redacted work description.
130	875982	46	Willoughby	4.24.17	CNJ	225	9.80	\$ 2,205.00		\$ -		\$ -		\$ -		\$ 2,205.00	\$2,205.00	CWS redacted work description.
131	875982	46	Willoughby	4.26.17	JH	315	4.00	\$ 1,260.00		\$ -	1.40	\$ 441.00		\$ -		\$ 1,701.00	\$1,701.00	CWS redacted work description.
132	875982	46	Willoughby	4.3.17	JH	315	4.00	\$ 1,260.00		\$ -	3.00	\$ 945.00		\$ -		\$ 2,205.00	\$2,205.00	CWS redacted work description.
133	875982	46	Willoughby	4.4.17	JH	315		\$ -		\$ -	7.00	\$ 2,205.00		\$ -		\$ 2,205.00	\$2,205.00	CWS redacted work description.
134	875982	46	Willoughby	4.5.17	JH	315	1.00	\$ 315.00		\$ -	6.00	\$ 1,890.00		\$ -		\$ 2,205.00	\$2,205.00	CWS redacted work description.
135	875982	46	Willoughby	4.5.17	CNJ	225	1.00	\$ 225.00		\$ -	7.00	\$ 1,575.00		\$ -		\$ 1,800.00	\$1,800.00	CWS redacted work description.
136	886631	48	Willoughby	6.26.17	CJN	225	0.30	\$ 67.50		\$ -		\$ -		\$ -		\$ 67.50	\$67.50	CWS redacted work description.
137	906075	49	Willoughby	8.18.17	JH	315		\$ -	0.60	\$ 189.00		\$ -		\$ -		\$ 189.00	\$189.00	CWS redacted work description.
138	906075	49	Willoughby	8.21.17	CNJ	225		\$ -	1.80	\$ 405.00		\$ -		\$ -		\$ 405.00	\$405.00	CWS redacted work description.
139	922613	50	Willoughby	10.10.17	JH	315		\$ -	0.90	\$ 283.50	0.90	\$ 283.50		\$ -		\$ 567.00	\$567.00	CWS redacted work description.
140	922613	50	Willoughby	10.12.17	JH	315	0.50	\$ 157.50	6.60	\$ 2,079.00	0.50	\$ 157.50		\$ -		\$ 2,394.00	\$2,394.00	CWS redacted work description.
141	922613	50	Willoughby	10.16.17	CJN	225		\$ -	0.50	\$ 112.50		\$ -		\$ -		\$ 112.50	\$112.50	CWS redacted work description.
142	922613	50	Willoughby	10.16.17	JH	315		\$ -	2.90	\$ 913.50		\$ -		\$ -		\$ 913.50	\$913.50	CWS redacted work description.
143	922613	50	Willoughby	10.25.17	JH	315		\$ -	0.30	\$ 94.50		\$ -		\$ -		\$ 94.50	\$94.50	CWS redacted work description.
144	942517	51	Willoughby	11.13.17	JH	315		\$ -	2.70	\$ 850.50		\$ -		\$ -		\$ 850.50	\$850.50	CWS redacted work description.
145	942517	51	Willoughby	11.17.17	JH	315		\$ -		\$ -		\$ -	3.60	\$ 1,134.00		\$ 1,134.00	\$1,134.00	CWS redacted work description.
146	942517	51	Willoughby	11.20.17	JH	315		\$ -		\$ -		\$ -	1.00	\$ 315.00		\$ 315.00	\$315.00	CWS redacted work description.
147	942517	51	Willoughby	11.28.17	CNJ	225	0.60	\$ 135.00		\$ -		\$ -		\$ -		\$ 135.00	\$135.00	CWS redacted work description.
148	942517	51	Willoughby	11.30.17	JH	315	0.50	\$ 157.50	4.40	\$ 1,386.00		\$ -		\$ -		\$ 1,543.50	\$1,543.50	CWS redacted work description.
149	942517	51	Willoughby	11.8.17	JH	315		\$ -	1.90	\$ 598.50		\$ -		\$ -		\$ 598.50	\$598.50	CWS redacted work description.
150	942517	51	Willoughby	11.9.17	JH	315		\$ -		\$ -		\$ -	1.00	\$ 315.00		\$ 315.00	\$315.00	CWS redacted work description.
151	942517	51	Willoughby	12.13.17	CNJ	225		\$ -		\$ -		\$ -		\$ -	0.40	\$ 90.00	\$90.00	CWS redacted work description.
152	942517	51	Willoughby	12.6.17	JH	315		\$ -	4.90	\$ 1,543.50		\$ -		\$ -		\$ 1,543.50	\$1,543.50	CWS redacted work description.
153	TOTAL										\$ 79,177.50	\$ 9,306.00	\$ 40,180.50	\$ 11,533.50	\$ 15,777.00		\$155,974.50	

REHEARING EXHIBIT DMH-4

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CONFIDENTIAL

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Carolina Water Service, Inc.
Docket No. 2017-292-WS

Line #	Document	Invoice	Firm	Date	Timekeeper	Rate	CRK v. CWS	Cost	Town of Lexington v. CWS (condemnation)	ALC - DHEC Permit Denial	Cost	ALC - I-20 Connection	Cost	CWS v. EPA	Cost	ORS Adjustment Reason
1	919203	1773161	Haynsworth	9.8.17	HDS	150		\$ -			\$ -	0.40	\$ 60.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
2	919203	1773161	Haynsworth	10.3.17	LFG	350		\$ -			\$ -	0.10	\$ 35.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
3	919203	1773161	Haynsworth	10.6.17	HDS	150		\$ -			\$ -	1.50	\$ 225.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
4	919203	1773161	Haynsworth	10.9.17	HDS	150		\$ -			\$ -	4.50	\$ 675.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
5	919203	1773161	Haynsworth	10.10.17	HDS	150		\$ -			\$ -	2.50	\$ 375.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
6	919203	1773161	Haynsworth	10.11.17	LFG	350		\$ -			\$ -	1.50	\$ 525.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
7	919203	1773161	Haynsworth	10.11.17	HDS	150		\$ -			\$ -	2.00	\$ 300.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
8	919203	1773161	Haynsworth	10.13.17	LFG	350		\$ -			\$ -	0.30	\$ 105.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
9	919203	1773161	Haynsworth	10.16.17	HDS	150		\$ -			\$ -	0.70	\$ 105.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
10	919203	1773161	Haynsworth	10.16.17	JHT	150		\$ -			\$ -	2.00	\$ 300.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
11	919203	1773161	Haynsworth	10.18.17	LFG	350		\$ -			\$ -	0.20	\$ 70.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
12	919203	1773161	Haynsworth	10.20.17	HDS	150		\$ -			\$ -	1.40	\$ 210.00		\$ -	Hours allocated to incorrect legal action. Should have been allocated to Town of Lexington v. CWS (condemnation)
13	864859	44	Willoughby	2.1.17	RRL	270		\$ -		0.20	\$ 54.00		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
14	864859	44	Willoughby	2.1.17	JH	315		\$ -		4.20	\$ 1,323.00		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
15	864859	44	Willoughby	2.2.17	JH	315		\$ -		4.00	\$ 1,260.00		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
16	864859	44	Willoughby	2.6.17	JH	315		\$ -		5.00	\$ 1,575.00		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
17	864859	44	Willoughby	2.7.17	JH	315		\$ -		5.40	\$ 1,701.00		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
18	864859	44	Willoughby	2.8.17	JH	315		\$ -		6.00	\$ 1,890.00		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
19	864859	44	Willoughby	2.9.17	JH	315		\$ -		6.30	\$ 1,984.50		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
20	864859	44	Willoughby	2.10.17	JH	315		\$ -		4.00	\$ 1,260.00		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
21	864859	44	Willoughby	2.10.17	CNJ	225		\$ -		0.60	\$ 135.00		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
22	864859	44	Willoughby	2.11.17	JH	315		\$ -		3.80	\$ 1,197.00		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
23	864859	44	Willoughby	2.13.17	JH	315		\$ -		6.90	\$ 2,173.50		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
24	864859	44	Willoughby	2.13.17	CNJ	225		\$ -		0.10	\$ 22.50		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
25	864859	44	Willoughby	2.15.17	CNJ	225		\$ -		2.90	\$ 652.50		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
26	864859	44	Willoughby	2.16.17	CNJ	225		\$ -		2.90	\$ 652.50		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
27	864859	44	Willoughby	2.17.17	CNJ	225		\$ -		4.40	\$ 990.00		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
28	864859	44	Willoughby	2.20.17	JH	315		\$ -		4.10	\$ 1,291.50		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
29	864859	44	Willoughby	2.20.17	CNJ	225		\$ -		7.10	\$ 1,597.50		\$ -		\$ -	Hours allocated to incorrect legal action. Should have been allocated to CRK v. CWS.
30											\$ 19,759.50		\$ 2,985.00		\$ -	

REHEARING EXHIBIT DMH-5

Pages 2 through 10

CONFIDENTIAL

Office of Regulatory Staff
Adjustments to EQ Project Expenses
Carolina Water Service, Inc.
Docket No. 2017-292-WS

Rehearing Exhibit DMH-6

3077951

Batch 280959

Doc 896784

Invoice

Strata Development Services, Inc.

2793 Old Post Road
Harrisburg, PA 17110

Phone #	7176499181
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Date	Invoice #
6/12/2017	10002.850

Bill To
Utilities, Inc. Attn: David White 150 Foster Brothers D West Columbia, SC 29172

P.O. No.	Terms
257516 460	Due on receipt

Date of Service	Item	Description	Rate	Amount
6/6/2017	Consulting	Install grass matting temporarily on the sand where temporary EQ basin was to be installed. The next day, removed temporary installation and reinstalled grass matting in permanent location on side slopes around temporary EQ basin.	4,260.00	4,260.00
			RECEIVED SEP 11 2017	
			Total	\$4,260.00

Office of Regulatory Staff
Adjustments to EQ Project Expenses
Carolina Water Service, Inc.
Docket No. 2017-292-WS

Rehearing Exhibit DMH-6



3168 Charleston Hwy
West Columbia SC 29172-271212

Customer Service (803) 791-1300
RepublicServices.com/Support

Account Number 3-0743-0027651
Invoice Number 0743-001489121
Invoice Date September 30, 2017

Past Due on 09/30/17 \$7,500.94
Payments/Adjustments \$0.00
Current Invoice Charges \$5,471.73

Batch 283618

Doc 904626

Total Amount Due	Payment Due Date
\$12,972.67	Past Due

CURRENT INVOICE CHARGES

Description	Reference	Quantity	Unit Price	Amount
Carolina Water-Friarsgate Non 131 Greenbriar Dr CSA A172313493 Columbia, SC				
2 Waste Container 30 Cu Yd, 10 Lifts Per Week				
Service Attempt 09/06		1.0000	\$165.00	\$165.00
Service Attempt 09/07		1.0000	\$165.00	\$165.00
Disposal/Recycling 09/12	988523	1.0000 Ton		\$451.44
Pickup Service 09/12		1.0000	\$430.00	\$430.00
Disposal/Recycling 09/13	988616	1.0000 Ton		\$450.90
Pickup Service 09/13		1.0000	\$430.00	\$430.00
Disposal/Recycling 09/15	988835	1.0000 Ton		\$405.54
Pickup Service 09/15		1.0000	\$430.00	\$430.00
Service Attempt 09/18		1.0000	\$165.00	\$165.00
Service Attempt 09/20		1.0000	\$165.00	\$165.00
Disposal/Recycling 09/21	989122	1.0000 Ton		\$340.74
Pickup Service 09/21		1.0000	\$430.00	\$430.00
Service Attempt 09/25		1.0000	\$165.00	\$165.00
Service Attempt 09/26		1.0000	\$165.00	\$165.00
Service Attempt 09/28		1.0000	\$165.00	\$165.00
Disposal/Recycling 09/29	989698	1.0000 Ton		\$345.60
Pickup Service 09/29		1.0000	\$430.00	\$430.00
Rental 09/01-09/30			\$60.00	\$60.00
Late Fee 09/30				\$112.51
CURRENT INVOICE CHARGES, Due by October 20, 2017				\$5,471.73

RECEIVED

OCT 10 2017

Past Due	30 Days \$7,500.94	60 Days \$0.00	90+ Days \$0.00
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3168 Charleston Hwy
West Columbia SC 29172-271212

Please Return This
Portion With Payment

Total Enclosed

Return Service Requested

L2RCACD700 002945

|||||
CAROLINA WATERFRIARSGATE WWTP
DAVID WHITE
2335 SANDERS RD
NORTHBROOK IL 60062-6108

Total Amount Due	\$12,972.67
Payment Due Date	Past Due
Account Number	3-0743-0027651
Invoice Number	0743-001489121

For Billing Address Changes,
Check Box and Complete Reverse.

Make Checks Payable To:

|||||
REPUBLIC SERVICES #743
PO BOX 9001099
LOUISVILLE KY 40290-1099

30743002765100000014891210005471730012972670

Phyllis Luppino

From: David White
Sent: Wednesday, October 11, 2017 9:37 AM
To: Phyllis Luppino
Subject: RE: Emailing: Scan001Republic 10.11.2017

Sorry , The PO should be 260365

Thanks,
David

-----Original Message-----

From: Phyllis Luppino
Sent: Wednesday, October 11, 2017 10:28 AM
To: David White <DAWhite@uiwater.com>
Subject: FW: Emailing: Scan001Republic 10.11.2017

Hi,

PO260328 is still in the amount of \$12,972.67 and it need to be changed to \$5471.73.

Thanks
Phyllis

-----Original Message-----

From: David White
Sent: Wednesday, October 11, 2017 8:22 AM
To: Phyllis Luppino <PALuppino@uiwater.com>
Subject: RE: Emailing: Scan001Republic 10.11.2017

Hi Phyllis ,

All have been corrected.

Thank you,
David

-----Original Message-----

From: Phyllis Luppino
Sent: Wednesday, October 11, 2017 8:57 AM
To: David White <DAWhite@uiwater.com>
Subject: FW: Emailing: Scan001Republic 10.11.2017

Hi David,

Invoice 0743-001489121, PO 260328 is incorrect. The amount of the invoice is \$5,471.73 which is the (current amount), you have the PO set up in the amount of \$12,972.67. Please change the amount on the PO so I can process payment

Invoice 0743-001488798, PO260329 is correct. The amount of the invoice is \$308.67 which is the (current amount), you have the PO set up in the amount of \$8236.94. Please change the amount on the PO so I can process payment

Invoice 0743-001488799 is correct. The PO is not receipted therefore I am unable to process payment.

Please let me know when the changes are made and when they are receipted.

Thanks
Phyllis

-----Original Message-----

From: David White
Sent: Wednesday, October 11, 2017 7:35 AM
To: Phyllis Luppino <PALuppino@uiwater.com>
Subject: Emailing: Scan001Republic 10.11.2017

Hi Phyllis,

Invoices attached.

Thank you,
David

Your message is ready to be sent with the following file or link attachments:

Scan001Republic 10.11.2017

Note: To protect against computer viruses, e-mail programs may prevent sending or receiving certain types of file attachments. Check your e-mail security settings to determine how attachments are handled.

Office of Regulatory Staff
Adjustments to EQ Project Expenses
Carolina Water Service, Inc.
Docket No. 2017-292-WS

Rehearing Exhibit DMH-6

3033708

Batch 292492

Doc 931492



PO Box 36005, Charlotte, NC 28236

INVOICE

Remit to: W.K. Dickson & Co., Inc.
PO Box 36005
Charlotte, NC 28236
(704) 227-3453

Due by 25th of month

Rick Durham
Carolina Water Service, Inc.
Accounts Payable
2335 Sanders Road
North Brook, IL 60062

October 31, 2017
Project #20170068.00.CA
Invoice #0085259-A
PO #283245 400

PO 269045

Project 20170068.00.CA CWS On-Call Services
Professional Services from October 1, 2017 to October 31, 2017

Phase 03 Friarsgate SSES
Professional Personnel

	Hours	Rate	Amount
Project Manager	17.50	156.00	2,730.00
Senior Project Engineer	2.00	148.00	296.00
Project Engineer	251.25	130.00	32,662.50
Civil Designer	9.00	105.00	945.00
Project Administrator	4.25	65.00	276.25
Senior Project Manager	66.00	180.00	11,880.00
Senior GIS Analyst	25.00	125.00	3,125.00
Technical Manager	236.25	156.00	36,855.00
Totals	611.25		88,769.75

Total Labor

88,769.75

Reimbursable Expenses

Engineering Supplies	48.14
Auto Mileage	724.95

Total Reimbursables

773.09

AMOUNT DUE = \$89,542.84

RECEIVED

NOV 15 2017

RECEIVED

JAN 24 2018

Payments not received within 30 days of due date will be charged interest.

THANK YOU FOR YOUR BUSINESS

Phyllis Luppino

From: Phyllis Luppino
Sent: Friday, January 19, 2018 7:19 AM
To: David White
Subject: FW: WK Dickson

Hi David,

I have this invoice in my problem folder since November. The PO is still not receipted.

Thanks
Phyllis

From: Phyllis Luppino
Sent: Thursday, November 30, 2017 9:42 AM
To: David White <dawhite@uiwater.com>
Subject: WK Dickson

Hi David,

Still waiting for approval for PO263245?

Phyllis

*Phyllis Luppino
Utilities Inc.
2335 Sanders Road
Northbrook, IL 60062
Work 847-897-6468
Fax 847-498-9696
pluppino@uiwater.com*

Phyllis Luppino

From: David White
Sent: Wednesday, January 24, 2018 12:12 PM
To: Phyllis Luppino
Subject: RE: WK Dickson

The PO is 269045.

Thank you,
David

-----Original Message-----

From: Phyllis Luppino
Sent: Wednesday, January 24, 2018 10:30 AM
To: David White <DAWhite@uiwater.com>
Subject: WK Dickson

Here you go David.

-----Original Message-----

From: Northbrook Scanner
Sent: Wednesday, January 24, 2018 3:47 AM
To: Phyllis Luppino <PALuppino@uiwater.com>
Subject: Scan from a APColorScanner

Please open the attached document. It was scanned and sent to you using a Xerox WorkCentre. For more information on Xerox products and solutions, please visit <http://www.xerox.com>.

Rate Comparison - Service Territory 1		Rates Order 2015-876			Rates Proposed by CWS			Rates Order 2018-345(A)	
Line #	Customer Classification	Usage Charge per 1,000 gallons	Base Facility Charge (BFC)	Usage Charge per 1,000 gallons	Base Facility Charge (BFC)	Usage Charge per 1,000 gallons	Base Facility Charge (BFC)	Usage Charge per 1,000 gallons	Base Facility Charge (BFC)
1	400PWCOM - 1" Purchase Water Commercial	\$6.67	\$38.10	\$8.66	\$43.77	\$7.55	\$37.43		
2	400PWCOM - 1.5" Purchase Water Commercial	\$6.67	\$76.21	\$8.66	\$87.54	\$7.55	\$74.86		
3	400PWCOM - 2" Purchase Water Commercial	\$6.67	\$121.93	\$8.66	\$140.06	\$7.55	\$119.78		
4	400PWCOM - 3" Purchase Water Commercial	\$6.67	\$228.63	\$8.66	\$262.63	\$7.55	\$224.59		
5	400PWCOM - 3/4" Purchase Water Commercial	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
6	400PWCOM - 5/8" Purchase Water Commercial	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
7	400PWCRH - 1" Purchase Water Commercial - Riverhills	\$6.67	\$38.10	\$8.66	\$43.77	\$7.55	\$37.43		
8	400PWCRH - 1.5" Purchase Water Commercial - Riverhills	\$6.67	\$76.21	\$8.66	\$87.54	\$7.55	\$74.86		
9	400PWCRH - 2" Purchase Water Commercial - Riverhills	\$6.67	\$121.93	\$8.66	\$140.06	\$7.55	\$119.78		
10	400PWCRH - 3" Purchase Water Commercial - Riverhills	\$6.67	\$228.63	\$8.66	\$262.63	\$7.55	\$224.59		
11	400PWCRH - 3/4" Purchase Water Commercial - Riverhills	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
12	400PWCRH - 4" Purchase Water Commercial - Riverhills	\$6.67	\$381.16	\$8.66	\$437.84	\$7.55	\$374.42		
13	400PWCRH - 5/8" Purchase Water Commercial - Riverhills	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
14	400PWCRH - 8" Purchase Water Commercial - Riverhills	\$6.67	\$1,171.21	\$8.66	\$1,345.36	\$7.55	\$1,150.51		
15	400PWRES - 1" Purchase Water Residential	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
16	400PWRES - 1.5" Purchase Water Residential	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
17	400PWRES - 2" Purchase Water Residential	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
18	400PWRES - 3/4" Purchase Water Residential	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
19	400PWRES - 4" Purchase Water Residential	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
20	400PWRES - 5/8" Purchase Water Residential	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
21	400PWRRH - Purchase Water Res - RH (All Meter Sizes)	\$6.67	\$14.64	\$8.66	\$16.82	\$7.55	\$14.38		
22	400WCOM - 1" Commercial	\$5.69	\$38.10	\$6.54	\$43.77	\$5.59	\$37.43		
23	400WCOM - 5/8" Commercial	\$5.69	\$14.64	\$6.54	\$16.82	\$5.59	\$14.38		
24	400WRES - Water Residential (All Meter Sizes)	\$5.69	\$14.64	\$6.54	\$16.82	\$5.59	\$14.38		
25	402WRES - Water Residential (All Meter Sizes)	\$5.69	\$14.64	\$6.54	\$16.82	\$5.59	\$14.38		

Rate Comparison - Service Territory 2		Rates Order 2015-876			Rates Proposed by CWS			Rates Order 2018-345(A)	
Line #	Customer Classification	Usage Charge per 1,000 gallons	Base Facility Charge (BFC)	Usage Charge per 1,000 gallons	Base Facility Charge (BFC)	Usage Charge per 1,000 gallons	Base Facility Charge (BFC)	Usage Charge per 1,000 gallons	Base Facility Charge (BFC)
1	401WCOM - 5/8" Commercial Water Service	\$8.88	\$24.72	\$10.49	\$29.20	\$10.27	\$28.59		
2	401WCOM - 1" Commercial Water Service	\$8.88	\$68.81	\$10.49	\$81.28	\$10.27	\$79.59		
3	401WCOM - 1.5" Commercial Water Service	\$8.88	\$126.45	\$10.49	\$149.36	\$10.27	\$146.27		
4	401WCOM - 3" Commercial Water Service	\$8.88	\$431.52	\$10.49	\$509.70	\$10.27	\$499.14		
5	401WRES - Water Residential (All Meter Sizes)	\$8.88	\$24.72	\$10.49	\$29.20	\$11.85	\$28.59		
6	401PWRFW - Foxwood Purchased Water	\$9.41	\$24.72	\$12.19	\$29.20	\$11.85	\$28.59		
7	401WRPUR - 1" Water Distribution and Purchased Water Charge	\$9.41	\$24.72	\$12.19	\$29.20	\$11.85	\$28.59		
8	401WRPUR - 2" Water Distribution and Purchased Water Charge	\$9.41	\$24.72	\$12.19	\$29.20	\$11.85	\$28.59		
9	401WRPUR - 3/4" Water Distribution and Purchased Water Charge	\$9.41	\$24.72	\$12.19	\$29.20	\$11.85	\$28.59		
10	401WRPUR - 5/8" Water Distribution and Purchased Water Charge	\$9.41	\$24.72	\$12.19	\$29.20	\$11.85	\$28.59		
11	403WRES - Water Residential (All Meter Sizes)	\$8.88	\$24.72	\$10.49	\$29.20	\$10.27	\$28.59		

Customer Class	Application			ORS Proposed Order			Commission Order 2018-345(A)		
	Increase in Revenue Requirement	% of Total Revenue	Allocation %	Increase in Revenue Requirement	% of Total Revenue	Allocation %	Increase in Revenue Requirement	% of Total Revenue	Allocation %
Service Territory 1 & 2 - Sewer	\$ 2,284,616	50.64%	100.00%	\$ 1,114,829	53%	100.00%	\$ 1,649,797	56%	100.00%
Service Territory 1 - Water Supply	\$ 125,715	2.79%	9.54%	\$ 29,642	1%	9.10%	\$ (14,848)	-1%	-3.61%
Service Territory 1 - Purchased Water	\$ 1,191,524	26.41%	90.46%	\$ 295,931	14%	90.90%	\$ 426,258	15%	103.61%
Service Territory 2 - Water Supply	\$ 626,937	13.90%	63.02%	\$ 420,025	20%	61.33%	\$ 540,223	18%	61.09%
Service Territory 2 - Purchased Water	\$ 367,857	8.15%	36.98%	\$ 264,825	13%	38.67%	\$ 344,100	12%	38.91%
Miscellaneous Revenue	\$ (85,235)	-1.89%	100.00%	\$ (15,060)	-1%	100.00%	\$ (9,135)	0%	100.00%
Totals	\$ 4,511,414	100.00%		\$ 2,110,192	100%		\$ 2,936,395	100%	